



Town of Southern Shores

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Town of Southern Shores

Council Meeting

June 3, 2008

7:00 PM.-Pitts Center

Minutes

The Southern Shores Town Council met on June 3, 2008 at the Pitts Center.

The following Council Members were present: Mayor Don Smith, Brian McDonald, Jodi Hess, Kevin Stroud and Jim Pfizenmayer.

Also present were: Charles Read, Town Manager, Carrie Gordin, Town Clerk and Ike McRee, Town Attorney.

Mayor Smith called the meeting to order at 7:00 p.m., led the Pledge of Allegiance and held a moment of silence for our troops serving around the world.

APPROVAL OF AGENDA

Mayor Smith moved to approve the agenda as presented. Council Member McDonald seconded. The motion passed with Mayor Smith and Council Members McDonald, Hess, Stroud, and Pfizenmayer voting aye; no Council member voting no and no Council member absent.

Mayor Smith stated before the meeting continues he is going to read a statement and no comments or questions will follow at this time. He stated there are rumors around town that the town is going to take away the Southern Shores Volunteer Fire Department's (SSVFD) LOSAP assets (benefits). He asked the Town Attorney to set the record straight tonight about who has control over the LOSAP assets.

Ike McRee stated on May 30 Council met to discuss the proposed fire department contract and he is not aware of any discussion that the town has a desire to take those assets and the proposed contract tonight protects those assets.

Mayor Smith continued to read from his prepared notes: The Chief and Deputy Chief claimed there was a rumor going around that the Mayor was somehow going to take away these monies. They both know this is not only not true but not possible and it is disappointing they have not come forward to state the facts and dispel the rumors. Makes one wonder who started this false rumor. Those to gain by convincing volunteer members to quit the department and get their money leaving the town with no volunteers - followed by forcing a paid department on the town. I appeal to those spreading these vicious rumors to stop hurting our volunteers and our town. I will extend a challenge to those spreading this vicious rumor that I will resign effective immediately if you can bring forth evidence that I want to hurt our volunteer firefighters by taking away their well earned LOSAP and in-turn those spreading this nonsense must agree to do the same. How about it? Those spreading this rumor are sitting in this room be men and stand up.

Today the Town Council decides weather to allow the SSVFD to begin the process of becoming a paid department with the first step paying the current volunteer chief \$70,000 and leaving the town with no input or control of who the Chief is or how and what he receives as compensation.

The current leadership of the SSVFD has decided to begin a paid department with a top down approach meaning paying the chief first and then the hierarchy next.

They have by design excluded the town council in this most important change. They continued to be evasive about their plan at the first day of our budget workshop when we discussed the FD budget request. Council member Stroud asked a direct question are you going to pay the chief \$70,000 and did not answer. Troubling you bet. We now know they already signed a contract. We have also discovered that they refused to advertise to find the most qualified person. On May 28th myself, our Town Manager and Council member Stroud traveled to Raleigh to meet with the Senior Field Inspector from the office of State Fire Marshal. We found as confirmed by him this top down approach has proven time and time again this will negatively affect moral of our hard working rank and file and will be a detriment to recruiting. The rumor about the LOSAP program being taken away is again another attempt to have volunteers resign, troubling you bet. The Chief and Deputy Chief attempted to have the town turn over the SSVFD budget to the county leaving the town with no say regarding their budget and the council agreed unanimously not to do so. Had they got their way the taxpayers of our town would have lost 100's of thousands in shared revenues along with no control over the budget, etc. certainly not in the town's best interest. Leaves one to ask why? At the direction of the majority of our town council, at Friday's budget workshop, the Town Attorney and Town Manager were instructed to enter into a meeting with the attorney of the FD and Chief and Deputy Chief to try and come to an agreement to present to Council and the FD board. Tonight your town Council will be voting on this proposal. I am appealing to the Council to reject this agreement and move by resolution to take control of the SSVFD so we can continue as an all volunteer department and to control runaway spending. There is not another town in NC that would allow an all Volunteer department to move to a paid department without control by the town. Time is of the essence, failure to take control will result in a fully paid department and runaway tax increases beyond what many will be able to afford. I find it unfortunate that I feel compelled to make this recommendation. In the proposed agreement the SSVFD will receive the same budget amount last year and will use \$70,000 to pay the current chief. Last year I called for a reduction of \$35,000 as you may recall. Their budget should have been reduced last year and this year and now it is obvious they have enough funds in the \$291,000 to pay the chief \$70,000. Let me remind everyone the current Chief joined the all volunteer department as a volunteer.

This agreement if approved will further have your town Council give up 20% of the assets the FD currently owns if we later are forced to take control. This is unacceptable to me since we SS taxpayers paid for these assets and our current contract calls for 100% of the assets turned over to the town if we are forced to take control. As of today we have still not received copy of budget which has been requested both in person and by email. I have continued to state we need this to determine what we need to allocate. This stonewalling continues. Question why?

An email from Deputy Chief Shrader in his email dated June 2nd 2008 to A.C. Daniels made untrue and unjustified allegations against me personally. It's time for their personal attacks and evasiveness to stop. Your town, the town Council, and Town Manager have tried numerous times to meet the SSVFD half way. The FD has not reciprocated. I believe with all my heart that it is time for town Council to come together and for once and for all take full and complete control of the deteriorating situation. If the chief's cannot agree to work closely with Council in good faith than they should tender their resignations.

As one who served as a member for almost 13 years before retiring and whose wife served for 12 years and dad 8 years my entire family is deeply disappointed with the leadership and direction of the formally all volunteer department if this agreement is approved by Council. There are many other past and current members who feel the same and let me read an email from a 20 year retired veteran.

In conversation with some members they have agreed with me this plan being put forth by the board is to drive volunteers to quit and to hurt recruiting and the members who are threatening to quit if the department does not get its demands are in-line to be paid next. They will leave if the town takes control and wants to maintain an all volunteer department.

I would simply thank them for their time as volunteers and that we moved forward. We as a town can never be held hostage by such tactics. If the department is going to be a paid department the town needs to hire the chief and he must answer to us.

Let me end with our town is going to celebrate its 30th year anniversary next year and if this agreement is approved we will no longer be able to say we have the only all volunteer FD. This new partially paid department would be the only one in Dare County that the town Council would have no say or control over hiring and spending. I would find this action to be a failure of Council's fiduciary responsibilities and a betrayal of all taxpayers.

Thank you
Mayor Don Smith

PRESENTATION-Southern Shores Volunteer Fire Department to present awards to Southern Shores firefighters, Southern Shores police officers, Duck firefighters, Duck police, and Dare County EMS personnel.

Fire Chief Harvey asked all the volunteers receiving awards to adjourn to the Southern Shores Volunteer Fire Department to receive their awards.

PUBLIC COMMENT

Mayor Smith opened the public comment section.

Sarah Tyler, 165 Wax Myrtle Trail, stated she has requested this before but she would ask Council to consider amending the law that requires dogs not to be allowed on the beach from May 15 to September 15 by shortening the time to begin June 15 to Labor Day (September).

Hal Denny, 85 Poteskeet Trail, stated he is hurt as a citizen to see the agenda interrupted by Mayor Smith's statements and if they were needed they should have been done at the end of the meeting or following the presentation, it is totally a classless act.

Norm St. Laurent, 63 Hickory Trail, stated he has owned property here for seventeen years and has been actively in the military for forth-three years serving hard duty for the country and he and his wife have moved here. He stated he agrees with the contents of the Mayor's notes. He stated Council does have responsibility to the people who voted you in to do what you need to do. It may be someone's opinion that the timing was off but that is not what he is saying. He stated he hasn't found anything negatively to say and he applauds Council. He asked that Council keep in mind the very things that were said about taking responsibility for the taxpayers and the money being spent for the taxpayers. He read an article that the Dare County Commissioners decided to expend an additional \$375,000 of the taxpayer's money to take care of attorney fees. If Council doesn't have control over the fire department then how much money are they going to spend that you don't know about that will cost the taxpayers. Keep your responsibilities in line do the things we elected you to and take charge. If the voters don't like you they will vote you out. This is a sticky issue but you need to take control.

Hearing no other comments Mayor Smith closed the public comment section.

APPROVAL OF MINUTES-May 7, 2008

Council Member Hess moved to approve May 7, 2008 minutes as amended. Council Member Pfizenmayer seconded. The motion passed with Mayor Smith and Council Members McDonald, Hess, Stroud and Pfizenmayer voting aye; no Council member voting no and no Council member absent.

CONSENT AGENDA-None

REPORTS

Planning Board-None

Southern Shores Volunteer Fire Department-None

Southern Shores Police Department

Chief Kole presented monthly report.

Southern Shores Civic Association (SSCA)

Dan Shields, president, stated repairs to the crossovers and cleanup on SSCA properties are on-going.

Chicahauk Property Owner's Association (CPOA)

Jim Kranda stated construction at Trinitie Park is on-going.

Canal Dredging Project Update

The Town Attorney reported from a memo dated June 3, 2008 from John Leidy, attorney that the Office of Administrative Hearings has still not set a new trial date, discovery requests are being served on CAMA and DWQ and we have not received any information requests from either CAMA or DWQ at this point. He stated we will not receive the response to our discovery requests before the end of the month; this could affect the timing of our dedicated settlement conference. However, we are intended to schedule a serious and comprehensive settlement conference as required by the Scheduling Order before the end of the month.

PUBLIC HEARING-Proposed FY 2008-09 BUDGET

The Town Attorney opened the public hearing and stated this to allow the citizens time to present comments to Council on the Town's proposed FY 2008-09 budget.

Sam Williams, 109 Pudding Pan Lane, stated revenues are shown as down partially due to the proposed budget set at a nine cent tax rate, not at the current nine and three-quarters cent. He stated citizens may be willing to pay the \$25-30 in reduce taxes to keep services. He supports the current tax rate and stated that the proposed budget appears to be poorly thought out and short sighted. He stated the extra cents would allow for the police department vehicle replacement to remain in the budget, planning needs (Land Use Plan), roads, and additional dredging costs that may not be covered in the grant, for CIP development and if the fire department contract is not approved then for additional cost incurred on that outcome. He stated that he supports Council compensation but for the next Council, not this one. He stated to say the fire chief should not be compensated but that Council should, seem to be a problem. Council should be consistent.

Al Smith, 279 Sea Oats Trail, stated he is concerned for the town's future. He stated he was a member of the fire department for 7 ½ years and enjoyed it. He stated the town returned to the fire department \$100,000 to be used to purchase a truck. He has a problem if that money is used to pay the fire chief. He stated the town gave the fire department \$35,000 to buy a piece of equipment two years ago and then asked last year for another \$35,000 and it is unknown what the money was used for. He agrees the tax rate should remain the same.

He stated Council should take control and do what is right. He stated it is not known if the fire department will come back next year and ask for \$90,000. He stated he is concerned what the tax payer will need to pay in the future.

Ed Cowell, 134 Beech Tree Trail, stated he has been a taxpayer in town for forty-nine years and he supports the fire department and the emergency medical services (EMS). He has had to use the EMS a few times. He stated he is concerned over the squabble between the town and the fire department. He stated a few years ago the town talked about cutting the fire department budget and when he checked with his insurance company about a change in the fire rating he was told it would cost him \$1,800 a year, just to save a \$100 on his taxes. He stated it would not be a cost savings and if the town had no fire department what would our insurance cost be.

Lori Williams, 109 Pudding Pan Lane, stated she is concerned about the loss of the fire department and if the town were to start its own fire department or hire another one what would be the response time, what would be the increase in our taxes and insurance. She stated she attended the four-hour long budget workshop and an agreement was made between the town and the fire department. She stated we are in the 11th hour and Council should approve what was presented; a one-year contract, reduced budget, and the appointment of an advisory committee to discuss the future of the fire department and start working on next year's budget.

David Sanders, 158 Beech Tree Trail, after a new analysis of the proposed budget and with the reduced services his total tax savings is \$27.78 for the year. He stated he agrees that Council should be compensated but Council may want to consider asking the people by holding a referendum or to implement for the next Council. He stated, speaking as a member of the fire department, the Smith's were in the fire department when he was the chief.

He stated when he started as fire chief the annual budget was \$35,000 with six air packs, an old brush truck and training was playing with hoses and the year a new chief was appointed the budget was \$180,000. He stated during that time the insurance rate went from a 9S to a 5 and the citizen's insurance rates were reduced. He stated in the twenty-six years of the fire department Council has never had a voice on who was appointed chief. He stated when he read the "urgent" broadcast email that was sent from the town involving the office of the State Fire Marshal's office, Mr. A.C. Daniels assured him (Sanders), by email, that he did not say what the mayor said, that the firemen should be paid before an officer (chief). He stated that in a Class 9S fire department that would be so not a Class 5 fire department.

He stated Nancy Wendt provided a working document and if followed Council could apply that document in preparing the budget. You determine services needed, level of service you want and then work on the budget. He stated use his \$27.78 and restore his services. The town controls the fire department by a contract and the fire department is part of the town's audit.

He stated the badge and the uniform are assets and he hopes there will be bodies to fill them. He warned Council when a government acts in knee jerk way then things gets complicated. He stated in another email on another matter he asked Council to please not let this become a mantra for Southern Shores tax payers. He quoted from Herman Husbands, 1770 during a tax payer revolt, "It is not the form of government nor the laws we are quarreling with but with the malpractices of the officers and the abuses we suffer under those empowered to manage our public affairs".

Hal Denny stated he has been a property owner in Southern Shores since 1965. He stated the town has always had the reputation as being the town of volunteers and by in large this is a true statement and Council has set that example and now Council is proposing to be compensated. He stated Council should set the example to remain a town of volunteers and you should claim actual expenses for reimbursement. He stated the issues with the fire department and the town is sickening.

Personal vendettas have gotten in the way and urged Council to proceed with the proposed contract and he would urge them to appoint a commissioner to examine this issue and come to a rational approach before next budget cycle. He stated two other towns are raising taxes and if this town reduces taxes then the town receives reduced

shared revenues. He supports the tax rate proposed by the Town Manager. He stated the past two years no money other than Powell Bill has been spent on roads and Powell Bill won't do the job.

Jim Kranda, 82 Poteskeet Trail, asked what is the benefit in refunding tax payers and then turn around to have a taxpayer pay out of their pocket. He stated when Council ran they knew it was a volunteer position and now they are asking to be compensated, this is reprehensible and this is not within the best interest of this group.

David Hardin, 37 Pintail Trail, stated he hasn't attended many Council meetings but the few he has attended he saw this train wreck coming from the way volunteers were treated. He stated you don't treat volunteers by being dictatorial and being at odds with them and not appreciating their effort. He thinks everyone appreciates the time Council puts in but you need to hold the moral high ground and not accept compensation. The taxpayers should vote whether Council should be compensated and he would have more respect for Council if they would do this than vote for their own pay raise. He stated compensating the fire chief is a wake-up call and the taxpayer will have to pay and pay. He supports the proposed nine and half cent tax rate and use the savings for other things.

David Shrader, 273 N. Dogwood Trail, stated the fire department negotiated in good faith with town representatives a contract with the town and gave the town what it asked for in the contract and in the budget, in terms and amount, that meets all the conditions given by the town.

He stated setting aside all the personal animosity, personal attacks, half truths and lies he urged Council to pass the budget, including the fire department budget as agreed, live up to negotiations and at the appropriate time sign the contract. He stated if this fails tonight it is all off the table and we start over.

Hearing no other comments the Town Attorney closed the public hearing.

OLD BUSINESS

Southern Shores Volunteer Fire Department Contract

The Town Attorney stated from the meeting held on May 30, 2008 regarding the fire department contract representatives and attorneys from each entity met in closed session to agree on a contract, which they did. The recommendations were presented and agreed upon by Council and the fire department board. He explained that one paragraph was drafted into two separate paragraphs with the meaning and the words being the same. He pointed out that in paragraph three (b) year denoted as 2007 should read 2008.

He stated further recommended changes included are the Fire Department will convey or otherwise distribute to the Town of Southern Shores all of the assets of said corporation and if the Town Council has, by resolution, decided to establish a Town Fire Department, the Fire Department, upon receipt of at least ninety days written notice of such action will, within the time provided in such notice, convey or otherwise distribute to the Town of Southern Shores a share of the assets of said corporation equal to not less than 80% of the total assets of the corporation. He stated the fire department believes by retaining the 20% of the assets they could still provide fire service to Martin's Point. Assets assumed by the Town will include all associated obligations and debts for any vehicles, equipment or property conveyed to the Town. For purposes of this section, the funds invested in the Length of Service Annuity Program (LOSAP) will not be counted among the assets conveyed or be used to determine the total assets of the corporation. Town warrants that it will fulfill all obligations and requirements and meet all terms and conditions required by the Federal Emergency Management Agency, the federal or state government in regard to any vehicles, equipment or property that has been acquired using grant funding.

The Town agrees that it will, to the extent authorized by law, assume all responsibility for its assumption of all conveyed assets and obligations. Town further warrants that to the maximum extent authorized by law, it will protect, hold harmless, indemnify and defend the Fire Department, its Board of Directors, Officers and members from all liabilities, without limit, related to the condition of or use by the Town of any assets, or responsibility for obligations conveyed to the Town and the Town and Fire Department agree to cooperate in the formation of a Fire Service Advisory Board charged with the task reviewing, investigating and reporting about the future of the firefighting services for the Town of Southern Shores.

The Board will be composed of two members appointed by the Town, two members appointed by the Fire Department and two citizen members, one of which will be appointed by the Town and one by the Fire Department.

He stated this advisory board would be able to study the fire protection needs and levels of service and be established within the first 30 days of the fiscal year to provide recommendations before the next budget year. It is a one year contract not a multi-year contract as previously proposed by the fire department and the fire department initially proposed a contract in the amount of \$358,000 then reduced the contract to \$341,000 and during negotiation the fire department agreed maintain the current level of service to \$291,400 same as the current year budget and as recommended by the Town Manager for the FY2008-09 budget. He stated the fire department is able to do this because upon acquisition of a new vehicle by financing a larger portion of the cost of the vehicle and by utilizing a portion of the capital expenditure funds as provided by the town to help fulfill their capital expenditures needs for the coming budget year.

Mayor Smith asked how it would be determined on an 80/20 split of assets what assets would be divided and why not be 100%. He stated that would mean the town just gave away a million dollars of taxpayer's money. The Town Attorney stated further negotiations would be needed if the contract is not approved as written.

Council Member Stroud stated, as he understand it, the purpose of the 80/20 split is so the fire department can continue to provide service to Martin's Point. Deputy Chief Shrader stated that is correct. He stated the fire department has a contract with the county to provide service to them and Council should not interfere with the contractual relationship with the citizens of Martin's Point.

Council Member Stroud suggested adding a paragraph that in the event the service is not provided to Martin's Point the town would receive 100% of the assets. Deputy Chief Shrader stated that during the negotiations it was discussed that the 20% of assets would be turned over to the county and the county would give the assets to another fire department to provide service to Martin's Point.

Council Member Stroud stated he doesn't agree if the fire department or county has the choice of turning over the assets to Kitty Hawk or another fire department. The assets should go to the town or Martin's Point.

Deputy Chief Shrader stated the assets for Martin's Point would be used by whoever is the fire service provider.

He stated no one has said that the fire department is to become a fully paid fire department but that looking into the future there will be certain components to require some members to be paid.

Having a paid chief takes the administrative burdens from the volunteer firefighters. He stated Chief Harvey has run unopposed twice for chief and by a 28-5 vote it was approved to pay the chief.

Mayor Smith stated it was asked of the fire department to receive a copy of the fire department budget and it has not been submitted. He stated it was asked if the fire chief was going to get paid \$70,000 and there was no answer.

Mayor Smith read portions of an email between Deputy Chief Shrader and A.C. Daniels of the Dept. of Insurance, State Fire Marshall's Office. He stated that he has said in public that he attended a meeting with A.C. Daniels. He stated he has no axe to grind with the fire department. He loves the fire department; he and his family have over thirty years of involvement with the fire department. This is not about the membership it has been about the board and the budget.

He has always only asked budget questions. He has continued to ask about the \$35,000 that originally was given to the fire department for the purchase of a compressor and then the next year the \$35,000 was in the budget again but never received an answer. It is his fiduciary responsibility as a member of Council.

Deputy Chief Shrader responded by saying in the current contract in part reads "(b) The Fire Department, in providing the said services, shall use its own means and methods which shall not be subject to control, direction or supervision by the party of the first part (town). All fire fighting equipment and personnel necessary and proper for the performance of this contract shall be provided by the Fire Department at its sole cost and expense, and all persons engaged in fighting fires pursuant to the provisions of the Contract shall be subject to the exclusive control, direction and supervision of the Fire Department. The party of

the first part shall not have any right or power with respect to the employment, control, direction, supervision, suspension or discharge of any person who may engage in fire fighting services or activities in the performance of the obligations imposed by this Contract upon the Fire Department in furnishing fire fighting services to the party of the first part for the benefit of its residents and property owners". He asked quit trying to micro-manage the fire department and sign the contract.

Chief Harvey asked Council to vote on the contract, up or down. He stated the fire department negotiated in good faith, responded in good faith and have met in good faith and the fire department unanimously approved the contract.

Council Member Stroud stated he supports the committee but he would like to see a time limit placed on the committee, 90 days, to come to a resolution.

Deputy Chief Shrader stated it is the understanding that following the approval of the contract within thirty days the committee would be appointed and within three to six months come to a resolution. He stated informally for the record, this would be done. He stated the funds for Martin's Point are not required in the contract to be returned to the county but it could be stipulated if and when the fire department does not have a contract with the county that those assets would go through the county and those assets would go to whoever the county contracts the service with and if the fire department goes out of business the town gets all the assets.

The Town Attorney stated Council can establish a time frame for the committee to provide a report.

Council Member Hess asked if language could be added to read "the remaining 20% of the assets will be dedicated to continue providing fire service to Martin's Point".

The Town Attorney recommended adding language at the end of paragraph five to add regarding the split of 80/20 to read "there after in the event that the SSVFD dissolves its remaining assets should be conveyed to Dare County".

Mayor Smith stated there are six people on the committee and he asked the Town Attorney what happens if there is a three to three vote on an issue. The Town Attorney stated this is an advisory board with the concept of the board to be people of good faith to discuss and evaluate fire service and protection needs of the town this year and in future years. This board is not to dictate to Council its recommendations. The Council would then consider ways on how and if you will fund this service.

Mayor Smith asked if language could be added in the contract to read that the fire department provide the town with a copy of their budget. He said Council still has not been provided with a copy. The contract does state the fire department will present its budget to the Town of Southern Shores annually.

Chief Harvey apologized and stated Council will receive a copy of the budget tomorrow.

Council Member Stroud moved to approve the SSVFD contract with the discussed changes. Council Member Hess seconded.

The Town Attorney reviewed the changes in that the date on the contract should read October 2008 not 2007 (3b) audit report and to add language at the end of paragraph five to add regarding the split of the 80/20 assets to read "there after in the event that the SSVFD dissolves its remaining assets should be conveyed to Dare County".

Mayor Smith asked Council for any further discussion hearing none he stated the town had a volunteer fire department and now upon approval of this contract the chief will be paid but he heard some people spoke tonight against Council compensation which was for our use of cell phones and car usage. He stated the fire chief will be paid \$70,000 everyone signed up as a volunteer and he heard tonight from

Council that at some time there will be a paid fire department and that you wanted to have a say. He stated if this contract is approved you have agreed to give up 20% of the assets that the Southern Shores taxpayers own and we are going to a paid fire department. He stated he has had firemen say to him if they aren't getting paid they aren't staying. He stated Council has a fiduciary responsibility.

Council Member Pfizenmayer stated Council has discussed this and the best thing to do is approve this contract and let the committee review and see where we are going for the next year.

The motion passed with Council Members McDonald, Hess, Stroud, and Pfizenmayer voting aye; Mayor Smith voting no and no Council member absent.

NEW BUSINESS –None

OTHER ITEMS

Town Manager

The Town Manager stated the Southern Shores Civic Association has presented a written request to the Building Inspection Department requesting that the cost of a building permit be waived. He read a request from the Permit Officer asking for formal administrative approval to waive these costs for homeowner associations, in the past it has been done within the department.

Council Member Pfizenmayer stated the boat club and the civic association improvements benefit the town and he supports a blanket policy that these fees be waived. He moved that all property homeowners associations making improvements in town not be charged a fee. Council Member Stroud seconded. The motion passed with Mayor Smith, Council Members Hess, McDonald, and Stroud voting aye; no Council member voting no; and Council Member Pfizenmayer absent.

The Town Manager stated he met with the Coast Guard regarding the two permanent mooring buoys observed and he was told they are not in violation and they recommended if the town would want to restrict such activity Chapter 10 of the Town code would need to be amended. He stated the Coast Guard has provided a warning to the mariners of our shallow water and shoaling of the primary channel.

The town will post this warning on the broadcast email. He stated if vessels moored discharge hazardous materials action would be taken by the Coast Guard.

He stated he has investigated the use of an herbicide in the canals to control destructive weed growth would not affect our permit process one way or another. He stated George Wood is looking into the type of herbicide that can be used.

Council Member Stroud asked does Council want to look into preventing additional mooring buoys. The Town Manager stated if Council wants him to look into changing Chapter 10 he will.

Town Attorney –None

Mayor

Mayor Smith reported on May 28 the Town Manager, Council Member Stroud and he attended a meeting with NC Representative Tim Spears and Amy Fulk, Chief of Staff and Chris Dillion, Director of Special Projects for Senator Marc Basnight regarding the town's canal dredging project. It was suggested that a meeting be held with department heads from the fourteen state and federal agencies to discuss concerns regarding the project and hopefully move the project forward. When that meeting takes place an update will be given.

Council

Council Member McDonald stated he has listened to the citizen's comments regarding the budget and thanked them for their comments.

Council Member Hess also thanked the citizens for their comments. She stated there has been a bill introduced to the House Transportation to repeal the Powell Bill funds to municipalities and it warrants keeping an eye on this.

Council Member Pfizenmayer stated he appreciates the comments, emails, and phone calls in regards to the budget.

Council Member Stroud also appreciated the comments from the citizens.

GENERAL PUBLIC COMMENT

Mayor Smith opened the public comment section.

Jeanne Shrader, 273 N. Dogwood Trail, Captain of the SSVFD, stated she would like to offer her personal pledge to the citizens of the town that the fire department will come when called, even at three in the morning. She stated we do what we do because we love it. She asked several individual firemen present if they wanted to be paid. They all said no. She stated receiving ten dollars a call or three hundred dollars a month for the 225 calls she will make this year does not matter; what matters to her is being able to help people and she loves it. There is no dollar amount that can be put on it. She stated she has a business and her customers know if she gets an emergency call she leaves her store with her employees and goes on the call. She stated there are many firemen who work and who are retired but they still do this.

She stated Marty Borosko spent 1500 hours of volunteer time in his first year. He doesn't want to get paid, he loves it. She doesn't want to be paid and the department will still be here for you. She stated 84% of the department voted to pay a chief but not any chief, this chief.

She stated they watched the Town of Duck and what happened by hiring someone who didn't understand the culture of that town and they lost volunteers then they found their chief right there in their department. She stated Chief Harvey has been the chief for the last three years unopposed.

She stated in time there will be change; people change, budgets change, needs change but for now she pledges she will come and the 35 members on the list and the 20 people on the support list like Andy Cagiano and Pete Macfarlane and those who give their time and talents out of the love of what they do will be there. They will still come and put out your fire and hold your C-spine or your hand and she will be driving the ambulance and stay in the hospital until you don't need her anymore because she loves what she does. She thanked the brave Council members who stood up and secured the contract for another year we will be there for you.

Mayor Smith asked that the comments try to be limited to three minutes.

David Sanders, 158 Beech Tree Trail, thanked the Council members who voted for the fire department contract, common sense and reason has prevailed and his faith has been restored in the thoughts and action of Council. He is proud to be a volunteer and he also pledges he will be there and has been for twenty-four years. He stated as the years have gone by the demands are greater and this struggle to maintain a volunteer fire department one of the best ways to do this is to have a paid chief within the department. He stated it is in his opinion that what has gone on over the past week is based on a personality conflict between two individuals and he hopes this doesn't become a means of negotiation for services in this town. He would like to say that after twenty-four years of service to the fire department

tonight he was to receive an award but Mr. Mayor what appeared to be a political ploy and an attempt to push an agenda he felt compelled to stay and to speak and he thanked him for that.

Jim Kranda, 82 Poteskeet Trail, addressed Council by saying June 1 was the beginning of hurricane season and he noticed looking at the top of the Pitts Center he saw missing storm shutters and asked how well prepared is the town for the season. He also asked Council to fix the PA system. He stated the citizens shouldn't need to move forward to hear what is being said we deserve to hear what is going on.

Pat Wilson, 101 Bear Track Lane, stated she is a tax payer of Southern Shores in Chicahauk. She thanked Council for voting for the fire department contract and for voting against the wishes of the mayor. She appreciates the fact that you were strong enough to do that because you recognized the people here wanted you to do that. She stated she has watched this mayor, since he has taken office, systemically get rid of the first Town Manager, the police chief, Mike Hejduk and now the fire chief and has always been after these people but we managed to keep the fire chief. She stated the mayor has put the town in jeopardy and put our lives in jeopardy because you mess with the police department and fire department.

She asked him not to smile and smirk and write your notes and pass them on, it is childish and immature. She asked the people why are you letting the mayor do this, take back your town. He has tried to get rid of the life guard, chipping, trash because he wants to lower taxes, you need taxes to run a town.

Lori Williams, 109 Pudding Pan Lane, she does not support the current Council receiving compensation. She asked for clarification, is the proposed compensation going to be instead of or in addition to reimbursement for expenses and she also asked what is the process in finalizing the budget.

Chief Harvey commented the uniform he wears and the deputy chief are wearing may be an asset but they paid for it and the town doesn't get it back.

Ed Cowell, 134 Beech Tree Trail, thanked Council for approving the fire department contract. He stated he hasn't needed the fire department but he has needed the EMS. He asked Council to consider in passing the budget to keep the penny tax and put it toward the capital fund.

Mayor Smith stated he would like to respond to Lori Williams. He stated there may be some misunderstanding but as people are talking he takes notes to be addressed later. He doesn't think he is smirking and he apologized if it seemed that way. He stated tonight's meeting will be recessed to June 10 at 7 p.m. to consider the budget. He stated he has always supported Council compensation and all the other town's Council get compensation. He stated Council can submit vouchers for reimbursement expenses. He stated the proposed budget amount for compensation is around \$18,600. He suggested citizens run for office and see how difficult it is. He stated he takes the heat and he truly does what he feels is the right thing.

Mayor Smith hearing no other comments he closed the public comment section.

COUNCIL COMMENT

Council Member Stroud stated he supports Council receiving compensation. He stated when he ran he said he would vote his conscience and when he got elected he feels the same way. He stated this is the only town that does not compensate the Council and it is only \$300 a month and is in lieu of expenses. He stated he never said he wasn't in favor of paying a fire chief but he does question how it needs to be set up in the future. If it is the right thing to do to pay the fire chief and he feels it is the right thing to pay Council. He isn't going to deny himself from being compensated he has put in 27 hours this week. He will vote for it.

Hearing no other business Mayor Smith moved to recess the meeting at 9:10 p.m. to June 10, 2008 at 7:00 p.m. Council Member McDonald seconded. The motion passed with Mayor Smith and Council Members McDonald, Hess, Pfizenmayer, and Stroud voting aye; no Council member voting no; and no Council member absent.

ATTEST:



Respectfully submitted:


Carrie Gordin, Town Clerk